

This document is a draft of a planned solicitation and is subject to change without notice.

2.0 SCOPE OF SERVICES

2.1 Background

Miami-Dade County, Finance Department is seeking proposals from experienced and qualified firms to provide cash management services. Services include analysis of the County's cash management performance, monitoring of investment compliance with policy guidelines and meeting overall investment objectives of safety of capital, liquidity of funds and investment income, as outlined in the County's Investment Policy, reviewing reporting, and making recommendations on the County's investment portfolio, reporting on the credit analysis of commercial paper issuers, and providing a review of the County's cash flow.

Miami-Dade County's investment portfolio maintained an average of approximately \$3.5 billion during Fiscal Year 2014. There were over 6,600 investment transactions for Fiscal Year 2014, representing more than \$46 billion (\$8.8 billion in purchases, \$8.5 billion in maturities and \$28.7 billion in sales).

2.2 Minimum Qualification Requirement

The selected Proposer shall have and maintain throughout the term of any contract resulting from this solicitation:

- A) A U.S. Securities and Exchange Commission (SEC) registration as an Investment Adviser; and
- B) At least one member of the key personnel proposed under this solicitation shall be designated as a Chartered Financial Analyst (CFA) by the CFA Institute.

2.3 Services to be Provided

The selected Proposer shall:

1. Evaluate the County's investment policy for compliance with Florida Statutes and compare said policy to recommended practices by the Government Finance Officers Association (GFOA).
2. Consult closely and provide ongoing guidance to the County's Finance Director and/or designee(s) in the evaluation of ongoing investment activity within agreed upon investment strategies for the various County funds, with the objective of maximizing return on investments without sacrificing safety of the invested monies, while satisfying all required disbursement needs.
3. Not trade securities for the County, unless specifically directed to do so by the County, but shall provide rate quotations to the Finance Director and/or designee. Investments will continue to be bid by the County.
4. Evaluate investment products and their capability for inclusion in the County's investment portfolio and continuously confer with the County's Finance Director and/or designee(s) regarding recommended investment products.
5. Recommend various investment options based on the selected Proposer's internal models to evaluate the outcome of investments. Continuously confer with the County's Finance Director and/or designee(s) regarding these recommended investment products after evaluation of such products and their applicability for inclusion in the County's investment portfolio.
6. Evaluate investment strategies in comparison to the County's established benchmarks and shall confer with the County's Finance Director or designee(s) as needed regarding such comparisons.
7. Evaluate risk factors over portfolio and portfolio composition on an ongoing basis.
8. Evaluate the County's internal controls over cash management in general, and specifically over the portfolio, and provide the County with recommendations. Selected Proposer shall provide cash management consulting services to the Department relative to the cash management of County funds as required and approved by the Board of County Commissioners and following guidelines set by the State of Florida. Only consulting services shall be provided, as the selected Proposer shall not directly invest County monies unless specifically directed to do so by the County.
9. Analyze and evaluate investment of bond proceeds and debt service accounts to optimize investment opportunities. Confer with the County's Finance Director and/or designee(s) as needed regarding optimizing bond proceeds and debt service accounts investment opportunities.
10. Monitor, on a daily basis, whether the County's investment activity complies with the County Investment Policy Guidelines as established in Resolution No. R-31-09.
11. Analyze the credit analysis and default risk of commercial paper issuers, and update Bloomberg.
12. Confer with the County's Finance Director and/or designee(s) as needed to discuss economic conditions, anticipated financial market conditions, investment strategy and specific investments to be purchased and sold in ongoing County cash management programs. The County, at its sole discretion, shall have the option to act or not act upon specific recommendations made by the selected Proposer.

13. Analyze cash flow projections, review historical trends, suggest and justify changes to such projections, aiming always to maximize return on investments while maintaining liquidity, low risk and leverage. Confer with the County's Finance Director or designee(s) on an ongoing basis regarding suggestions and justifications for changing cash flow projections while meeting objectives.
14. Analyze current market conditions on a continuous basis and email the Department as market condition changes occur.
15. Review monthly investment reports on current market conditions with the Finance Director and/or designee(s) on a monthly basis.
16. Meet as needed with the County's Investment Advisory Committee (Re: Attachment 1), the Clerk of the Board of County Commissioners, the Board of County Commissioners and/or the Finance Director to review the investment portfolio and to make recommendations to the County regarding investment policy, strategy, and procedures. Meetings will occur in Miami at County offices.
17. Review daily activity reports prepared by the County's Finance Department and faxed or emailed to the selected Proposer and provide feedback if necessary.
18. Perform all other services fundamental to cash management consulting.

2.4 Reports

Reports include, but are not limited to, daily, monthly, and annual reports which may include the following types of reports:

1. Report evaluating County policies for compliance with Florida Statutes and comparison to recommended practices by GFOA. Send the evaluation report via email to the County's Finance Director and/or designee(s) within 120 days of the contract start date, along with a hard copy to be sent via express shipment.
2. Monthly, quarterly and annual investment reports (Re: Attachment 2) for the County's Finance Director or designee(s) on the County's cash and investment portfolio management. Such reports shall include Portfolio Composition, Portfolio Diversification, Portfolio Allocation by Fund and other such report items as represented in the Scope of Services. All reports shall be emailed to the County and are due by the close of business on the 10th day of the month following the report month or quarter. These reports shall follow the format as currently provided in attachments. The selected Proposer shall also create 25 hard copies of the quarterly and annual reports in color to be sent to the County via express shipment by the 10th day of the month following the report month or quarter.
3. Review, evaluate and present to the IAC, quarterly reports of the County's quarterly performance, summaries of its findings as to compliance with the County's investment policy and accuracy of the reports issued by the County's Finance Department on each investment pool. The Finance Department's reports list all securities held at the end of each month, grouped by type of security and by maturity date, total income received and accrued for the period, changes in the market value, and compliance with investment policy. Meetings will occur in Miami at County offices. Provide quarterly performance reports, summaries of its findings as to compliance with the County Investment Policy and confirm accuracy of the reports. These reports shall be emailed to the County and are due by the close of business on the 10th day of the month following the report quarter.
4. Analysis report of historical cash flow - Examine the funds' cash flow dynamics, and if necessary, assist in the design of cash flow models and cash budget. Send analysis report via email to the County within 120 days of the contract start date, along with three hard copies in color via express shipment.
5. Report of the credit analysis and default risk of commercial paper issuers, send report via email to the Department on a monthly basis, or sooner if changes occur to the credit ratings on authorized commercial paper issuers.
6. Securities lending activities report - Send report to the Department via email by close of business on a daily basis. (The County is not currently engaged in Securities Lending, but may opt to do so in the future).
7. Relative Value Report on what are the best investment values currently available in the marketplace to purchase. Provide daily, by 10:00 a.m. local time, via email.

2.5 Additional Services

The County may require additional services from the Selected Proposer. Additional services shall be related to the services specified herein.. The cost for these additional services shall be negotiated by the County and the Selected Proposer and will be ordered by mutual agreement. An example of additional service is to monitor the security lending activities for compliance with any future Securities Lending Contract the County may enter into. The County expects that the key personnel, including the Project Manager, that will be performing the Tasks in Appendix "A", will also be performing the "Additional Services", as needed.